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Sustainable development

Follow-up to and implementation of the SIDS Accelerated Modalities of Action (SAMOA) Pathway and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

Report of the Secretary-General

Addendum

Summary of the initial findings of the comprehensive review of the Joint Inspection Unit of United Nations system support for small island developing States

I. Introduction

1. The present addendum should be read in conjunction with the initial findings presented in the report of the Joint Inspection Unit entitled "Comprehensive review of United Nations system support for small island developing States: initial findings" (JIU/REP/2016/3),[1] issued in March 2016 in response to General Assembly resolution 70/202.

2. The findings in the present addendum constitute a preview of what will be further developed in the forthcoming report to be issued by the end of 2016. The following issues are addressed: (a) the strengthening of system-wide coherence and effectiveness of United Nations system support to small island developing States and the implementation of the Samoa Pathway, within the broader context of global mandates related to sustainable development;[2] (b) the institutional set-up in place

* A/71/150.

[1] Available from https://www.unjiu.org/en/about-us/Documents/JIU_REP_2016_3_13_English.pdf.

[2] The Sendai Declaration and the Sendai Framework for Disaster Risk Reduction 2015-2030 (General Assembly resolution 69/283), the Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Assembly resolution 69/313), the 2030 Agenda for Sustainable Development (Assembly resolution 70/1) and the Paris Agreement (FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex).

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for monitoring and accountability[3] (see General Assembly resolution 69/15, paras. 122-124) for the effective implementation of a transformational strategy for the sustainable development of small island developing States; and (c) institutional and managerial mechanisms to strengthen coordination between the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

II. Findings

Finding 1. United Nations system presence and delivering as one: alignment of priorities to national strategic plans and comprehensive coverage of issues related to the Samoa Pathway and the Sustainable Development Goals

3. The perception at the national level is that the United Nations system contributes to national priorities by, among other things, providing technical expertise, which is disseminated at the national level through capacity-building activities, and by providing advice and support to facilitate access to funding opportunities, such as the Global Environment Facility and the Green Climate Fund.

4. The United Nations system organizations have improved coordination and coherence in delivering their work through the "Delivering as one"[4] approach (see A/66/859). Some representatives of Governments and regional forums consider that the United Nations should better align its work to the priorities set by regional leaders, through the Pacific Islands Forum and the Caribbean Community.[5] Resident coordinators of the multi-country offices in the Pacific[6] and the Caribbean[5] have held extensive consultations with regional and national institutions, Governments and other stakeholders from civil society, to ensure synergies and complementarities in defining the United Nations multi-country strategic frameworks for the regions. Some representatives of small island developing States are of the view that the in-situ country coverage of United Nations system organizations should be increased for more effective support in order to avoid leaving behind some small island developing States (such as in the North Pacific).

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[3] The Atlantic, Indian Ocean, Mediterranean and South China Sea region is not included here since its geographical dispersion is greater than the other two regions and it does not have a specific regional policy framework. Furthermore, the inclusion of the Mediterranean in the region is outdated since the are no Mediterranean small island developing States.

[4] The United Nations Pacific Strategy for 2018-2022 responds to General Assembly resolution 67/226, in which the United Nation development system was requested to take measures to improve the United Nations Development Framework in order to reduce the workload of Governments and other stakeholders, and to resolutions 69/318 and 70/1, in which the United Nations system was urged to align its work programmes to support internationally agreed outcomes in the Pacific region and cooperation between regional commissions and organizations was welcomed. The offices of the Resident Coordinators in Fiji and Samoa launched consultations in May 2016, the results of which will be endorsed by the leaders of the 14 Pacific Island countries and territories.

[5] The United Nations multi-country sustainable development framework in the Caribbean covers 18 English- and Dutch-speaking Caribbean countries and overseas territories for the period 2017-2021.

[6] See *Handbook on the Least Developed Country Category: Inclusion, Graduation and Special Support Measures*, second edition (United Nations publication, Sales No. E.15.A.1). Available from http://www.un.org/en/development/desa/policy/cdp/cdp_publications/2015cdphandbook.pdf.

5. The United Nations system should strengthen its "Delivering as one" approach, while ensuring that no small island developing State is left behind. The work programmes of United Nations system entities should be based on priorities identified through national/regional consultations. The comprehensive coverage of all of the Sustainable Development Goals, for which the Samoa Pathway is a blueprint for small island developing States, should be ensured through the inclusion of a role for non-resident agencies and for the multilateral environmental conventions in the regional strategy.

Finding 2. Financing for development: adjusting eligibility criteria

6. For small island developing States, access to financing for development depends heavily on the country's income level. Only nine small island developing States are categorized as least developed countries;[6] the remaining ones have, in most cases, reached a level of per capita income that makes them ineligible for concessional funding for development.[7] The criteria to graduate from least developed country status should take into account vulnerability factors and resilience to a greater extent.[8] Meeting with various stakeholders, including small island developing States and development partners, the Joint Inspection Unit noted the common willingness to facilitate greater access to financing for development for small island developing States, as called for in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development and in line with the goals of the 2030 Agenda for Sustainable Development. The findings reveal the importance of Global Environment Facility and Green Climate Fund funding in small island developing States and the critical support and advisory role of some United Nations agencies, as well as development banks, in the preparation of project proposals.

7. The traditional criteria to access concessional funding are inadequate for small island developing States because of their intrinsic vulnerability. Special treatment for small island developing States has been advocated for a long time without much progress.[9] Some bilateral donors would like to have greater flexibility to enable them to develop technical assistance programmes in middle- to high-income small island developing States to address specific development gaps.[10]

8. In a 2015 study prepared for the United Nations Development Programme, the eligibility criteria for financing for development in the Caribbean small island developing States was reviewed. The resulting recommendation, advocated greater

[7] There are exceptions, such as the World Bank small island economy exception, which is in place for small islands with a population of less than 1.5 million that fulfil specific criteria on size, geography and credit-worthiness.

[8] See JIU/REP/2016/3, paras. 88 and 89, on the potential benefits of a "genuine small island developing States status" to foster coherent and targeted support to such States. Available from https://www.unjiu.org/en/about-us/Documents/JIU_REP_2016_3_13_English.pdf.

[9] See the United Nations Conference on Trade and Development and the Indian Ocean Commission "Addressing special vulnerabilities of small island developing States more effectively" (2014).

[10] In paragraph 17 of its resolution 70/215 on development cooperation with middle-income countries, the General Assembly stressed that the concerns and challenges of middle-income countries should be given consideration in the follow-up and review process of the 2030 Agenda for Sustainable Development.

consideration of economic vulnerability as an eligibility criterion, instead of income level.[11]

9. Another area of particular interest for all small island developing States regions relates to insurance schemes.[12] Given the high level of vulnerability of small island developing States, the United Nations system and its partners should promote better access to insurance for small island developing States, as called for in global mandates such as the Sendai Framework (see General Assembly resolution 69/283, annex II, para. 30 (b)) and the Paris Agreement (see FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex, article 8). Joint initiatives are already in place, such as the joint programme of the Indian Ocean Commission, the International Strategy for Disaster Reduction and the World Bank.[13]

10. Along the same lines, the findings and recommendations of the Economic and Social Council Independent Team of Advisors[14] in 2016 stressed the need to address the special needs of vulnerable middle-income countries, keeping in mind that per capita income should not be the only indicator for classifying countries. In defining new eligibility criteria, the positive experience of the World Bank in implementing its exception for small island developing States should be taken into consideration.[15]

11. **The United Nations system, in consultation with the Bretton Woods Institutions and regional development banks, under the guidance of small island developing States and bilateral donors, should formulate a set of clearly defined parameters to amend the eligibility criteria for concessional funding and preferential treatment for small island developing States, taking into account their intrinsic vulnerability.**

Finding 3. Capacity-building: strengthening national absorptive capacity

12. The field visits of the Joint Inspection Unit confirmed the need for capacity-building tailored to the areas of interest of small island developing States. In all three regions of small island developing States, it was reported that there was a lack of absorptive capacity, which hampered the effective delivery and sustainable

[11] See Compton Bourne, "Financing for development challenges in Caribbean SIDS: a case for review of eligibility criteria for access to concessional financing", report prepared for the United Nations Development Programme (Port of Spain, University of the West Indies, 2015), chap. 6. Available from http://www.undp.org/content/dam/rblac/docs/Research%20and%20Publications/Poverty%20Reduction/UNDP_RBLAC_Financing_for_Development_ReportCaribbean.pdf.

[12] See Asian Development Bank, Economic and Social Commission for Asia and the Pacific and United Nations Development Programme, *Making it happen: technology, finance and statistics for sustainable development in Asia and the Pacific: Asia-Pacific Regional MDG Report 2014/15* (Bangkok, 2015).

[13] The ISLANDS Financial Protection Programme is jointly implemented by the Indian Ocean Commission, the International Strategy for Disaster Reduction and the World Bank. It is a regional programme involving five of the member States and island territories of the Indian Ocean Commission, to mitigate the financial consequences of natural disasters and is based on the concept of risk financing and the associated risk transfer mechanism.

[14] Available from https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/ita-findings-and-conclusions-16-jun-2016.pdf.

[15] Under the World Bank exception, small islands with a population of less than 1.5 million, significant vulnerability owing to size and geography and very limited credit-worthiness and financing options have been granted exceptions in maintaining their eligibility.

impact of technical assistance.[16] In planning and delivering their support activities to small island developing States, partners should better coordinate among themselves to fine-tune what and how to deliver. The United Nations system, including its training institutes (such as the United Nations Research Institute for Social Development and the United Nations Institute for Training and Research),[17] together with stakeholders of small island developing States, should identify modalities to deliver capacity-building activities to ensure ownership by national institutions (including civil society and the business sector).

13. **The organizations of the United Nations system, with Member States, development agencies and other relevant development partners, should coordinate their activities to ensure coherence and effectiveness in programme delivery, to avoid saturation of the absorptive capacity of small island developing States and to ensure long-standing impact in mainstreaming knowledge at the national level.**

Finding 4. Institutional set-up to follow-up on the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (Barbados Programme of Action), the Mauritius Strategy and the Samoa Pathway within the framework of monitoring and accountability with respect to the Sustainable Development Goals

14. Following the adoption of the 2030 Agenda, the United Nations is rethinking its development system with a view to fostering effectiveness and synergies and allocating resources and responsibilities to the different entities based on their comparative advantages. This should result in greater coherence and coordination (see A/70/883).

15. The Samoa Pathway should be considered a blueprint for implementing the broader mandate set out in the 2030 Agenda. The institutional analysis and related methodology to establish the costing of the system-wide strategy could be developed thoroughly by using the implementation of the Samoa Pathway as a pilot exercise, addressing the small island developing States as a group of vulnerable countries with special needs. The system could benefit from this pilot experience and replicate the methodology on a global scale. The specificities of the small States should be duly accounted for when defining the monitoring and accountability frameworks and related reporting indicators.

16. The monitoring and accountability frameworks entail a complex chain of data collection and aggregation. Intergovernmental processes in the Economic and Social Council and the General Assembly, such as the high-level political forum on sustainable development and the quadrennial comprehensive policy review of operational activities for development of the United Nations system update in 2016, aim at establishing a coherent framework to follow up on the implementation of global programmatic and operational development mandates. In paragraphs 122 to

[16] For information in the area of national capacities in statistics, see the Joint Inspection Unit Report entitled "Evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals and other internationally agreed development goals" (JIU/REP/2016/5). Available from https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2016_5_English.pdf.

[17] See http://www.unsceb.org/agencies/united-nations-research-and-training-institutes.

124 of the Samoa Pathway, the General Assembly, the Economic and Social Council and their subsidiary bodies are called upon to monitor the full implementation of the Barbados Programme of Action, the Mauritius Strategy and the Samoa Pathway, including through the monitoring frameworks of the regional commissions. In this regard, the Inspectors commend the existing collaboration at the multi-country office in Trinidad and Tobago, where the inter-agency meetings are alternately chaired by the United Nations Resident Coordinator and the Director of the Subregional Office of the Economic Commission for Latin America and the Caribbean, to ensure synergies and coherence in planning, implementing, monitoring and reporting.

17. In response to resolution 70/202, a steering committee on partnerships for small island developing States,[18] co-chaired by Maldives and Italy, has been established.

18. At the national level, the findings reveal good practices in structural reforms in small island developing States, such as Mauritius and Samoa, where the national development plans have been aligned with the goals of the Samoa Pathway and the Sustainable Development Goals. Those small island developing States have also ensured centralized management of official development assistance and technical assistance, involving consultations with national stakeholders, to ensure the adequacy of resources and effectiveness in channelling the resources according to national priorities.

19. However, small island developing States still face multiple reporting requirements from bilateral and multilateral donors and United Nations system entities. Efforts are under way within the context of the United Nations Development Assistance Framework and the United Nations country teams to harmonize reporting practices.

20. **United Nations system entities should continue to assist in building national capacities with respect to data collection and analysis so as to facilitate national ownership and use of the information to monitor progress on national sustainable development. National monitoring and reporting frameworks on the implementation of the Samoa Pathway should be aligned with the overall accountability frameworks of the 2030 Agenda. A selection of priority indicators relating to the specificities of small island developing States should be agreed upon, in line with national and regional priorities.**

Finding 5. Managerial and institutional set-up of the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States in support of small island developing States

21. In its report (JIU/REP/2016/3),[1] the Joint Inspection Unit analysed the coordination between the Department of Economic and Social Affairs and the Office of the High Representative in providing support to small island developing States, and assessed the level of resources allocated for this purpose. In recommendation 2 of the report, the Joint Inspection Unit requests that the General Assembly, based on a transparent and clearly substantiated needs assessment prepared by the Secretariat, consider the needs resulting from the evolving mandates given to the Secretariat's programmes and subprogrammes and ensure the allocation of resources required to

[18] See https://sustainabledevelopment.un.org/topics/sids/events/second-meeting-steering-committe-partnerships.

adequately respond to the mandates in support of the sustainable development agenda of small island developing States.

22. Senior managers in the Department of Economic and Social Affairs and the Office of the High Representative have made efforts to improve their coordination and communication. Previous reports of the Joint Inspection Unit referred to the lack of a common definition of small island developing States within the United Nations. While the differences across the system can, to some extent, be better understood in the context of the very specific mandates of the specialized agencies, funds and programmes,[19] it is critical that the two entities of the Secretariat based in New York harmonize their definitions and lists of small island developing States. In this regard, the Department of Economic and Social Affairs informed the Unit about ongoing consultations with the Office of the High Representative in order to agree on a common definition and list.

23. The Secretariat should agree upon a list of small island developing States based on clear criteria. The list should serve as a basis to further develop a coherent United Nations system approach for targeted and preferential support to small island developing States and to foster more effective accelerated modalities of implementation of the Barbados Programme of Action, the Mauritius Strategy and the Samoa Pathway.

24. The role of the Department of Economic and Social Affairs within the Secretariat as a core element of the United Nations development system entails a large and increasing range of issues. The size and relevance of the Department's Small Island Developing States Unit appears to be inadequate. **The Inspectors encourage due consideration to be given to a possible reallocation of human resources within the Secretariat, grouping under a single organizational structure all of the staff resources dedicated to small island developing States. This exercise should be done in close consultation with the Alliance of Small Island States so as to ensure the identification of the best way to serve the interests of small island developing States'. Lessons learned from the experience of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and its network of least developed country focal points could serve as a model for improving outreach and communications between the Secretariat and the small island developing States.**

Finding 6. Resource allocation

25. The ongoing reform in operational activities of the United Nations system, with the strengthening of the resident coordinator system and the United Nations Development Group, have contributed to greater efficiency in delivering as one. However, the resource constraints in the regular budgets of the organizations and the reduction in voluntary contributions are hampering the development of more effective and accelerated modalities of action for the United Nations to better support to small island developing States. This issue will be further developed in the final report.

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[19] See JIU/REP/2016/3, annex VII. Available from https://www.unjiu.org/en/about-us/Documents/JIU_REP_2016_3_13_English.pdf.